

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, August 29, 2006, the following members were present:

Greg Jergeson, Chairman
Brad Molnar, Vice Chairman
Doug Mood, Commissioner
Robert H. Raney, Commissioner
Thomas J. Schneider, Commissioner

APPEARANCE

Eric Eck,
Utility Division

(230) In the matter of MDU Resources Group, Inc. - D2006.8.12 - On August 15, 2006, MDU Resources Group, Inc. applied for authority to issue over a two-year period \$750,000,000 of long-term financing in the following amounts: (1) the issuance of not to exceed \$750,000,000 of the Company's Common Stock; (2) the issuance of not to exceed \$112,500,000 of the Company's Preferred Stock and/or Preferred Stock A; (3) the issuance of not to exceed \$262,500,000 of the Company's secured debt securities; (4) the issuance of not to exceed \$262,500,000 of stock purchase contracts and (5) the issuance of not to exceed \$262,500,000 of hybrid securities such as convertible or unconvertible preferred securities, putable or callable instruments. The proceeds of these issuances will be used for funding the Company's capital requirements, for the refunding of its outstanding obligations, for corporate development including the acquisition of businesses or business assets, and for other general corporate purposes. A default order has been drafted.

Commissioner Jergeson moved to grant MDU Resources' application to issue securities over a two year period not to exceed \$750,000,000. Commissioner Mood seconded the motion, which passed 5-0.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division

(231) In the matter of the Commission's discussion of TN2313 - James H. and Joan P. Michael dba Airport Shuttle Service, Kalispell, Montana - request permission to continue the lease of PSC No. 3664 to Flathead Area Custom Transportation, Inc. dba Kalispell Taxi & Airport Shuttle Service, Kalispell, Montana, for a one year period, August 30, 2006 to August 30, 2007.

Commissioner Schneider moved to approve the lease as requested. Commissioner Raney seconded the motion, which passed 5-0.

(232) In the matter of the Commission's discussion of TN2314 - Fort Belknap Emergency Medical Services dba Fort Belknap Medical Transportation Services, Harlem, Montana - request permission to continue to self insure PSC No. 9453 for liability purposes. The fleet of vehicles utilized are GSA vehicles and insured by the Federal Government in excess of PSC minimum limits.

Commission Schneider moved to approve continued self insurance as requested. Commissioner Molnar seconded the motion, which passed 5-0.

(233) In the matter of the Commission's discussion of TN2315 - Fred M. Zweifel dba Circle Z Enterprises, Virginia City, Montana - requests permission to suspend PSC No. 9270 for a six month period September 17, 2006 to March 17, 2006.

Commissioner Raney moved to approve the suspension as requested. Commissioner Mood seconded the motion, which passed 5-0.

(234) In the matter of the Commission's discussion of TN2316 - Town Taxi, Inc., Havre, Montana, PSC No. 9436 - requests permission to assess a \$.75 per fare fuel surcharge on passenger movements for the period August 29, 2006 to November 27, 2006:

Commissioner Jergeson moved to approve the fuel surcharge as requested. Commissioner Raney seconded the motion, which passed 5-0.

(235) In the matter of the Commission's discussion of the approval of Commission Minutes:

Commissioner Mood moved to approve the Commission Minutes for the week of August 21, 2006. Commissioner Raney seconded the motion, which passed 5-0.

APPEARANCE

Gary Duncan, Utility Division
Tim Sweeney, Legal Division

(236) In the matter of the Commission's discussion of CenturyTel - D2006.8.121 - IDT v. Century Tel (CenturyTel's Refusal to Port Numbers):

Commissioner Schneider moved to dismiss the original complaint by IDT against CenturyTel. Commissioner Raney seconded the motion, which passed 5-0.

Commissioner Schneider moved to accept the amended complaint. Commissioner Raney seconded the motion, which passed 5-0.

(237) In the matter of the Commission's discussion of IDT America - D2006.8.121 - Motion for Admission of Pro Hac Vice and Waiver of Rule IV (F):

Commissioner Schneider moved to approve the application for Pro Hac Viche for Cheri R. Kiser and Elana Shapochnikov. Commissioner Raney seconded the motion, which passed 5-0.

APPEARANCE

Martin Jacobson, Legal Division

Leroy Beebe, Utility Division

(238) In the matter of the Commission's discussion of Cut Bank Gas - D2006.2.15 - for Final Rates:

Commissioner Schneider moved to approve the compliance tariffs as filed. Commissioner Raney seconded the motion the motion, which passed 5-0.

APPEARANCE

Al Brogan, Legal Division

(239) In the matter of the Commission's discussion of NorthWestern Corporation - D2006.6.82 - In the matter of the joint application of NorthWestern Corporation and Babcock Brown Infrastructure Limited, BBI US Holdings Pty. LTD., BBI US Holdings II Corp., and BBI Glacier Corp. For Approval of the sale and transfer of NorthWestern Corporation Pursuant to a merger agreement.

Commissioner Raney moved to deny NorthWestern and Babcock Brown Infrastructure motions for oral argument to Protective Orders in D2006.6.82. Commissioner Mood seconded the motion, which passed 4-1. Commissioner Molnar voted no.

APPEARANCE

Martin Jacobson, Legal Division

(240) In the matter of the Commission's discussion of PSC Initiated - D2006.1.2 - MDU Electric and Gas USB investigation:

Commissioner Raney moved to suspend the existing procedural order, and have staff review the existing record and do a report to the Commission. The Commission will then determine whether it will file a complaint or ask an interested party to file a complaint. Commissioner Mood seconded the motion, which passed 4-1. Commissioner Schneider voted no.

APPEARANCE

Robin McHugh, Legal Division

Wayne Budt, Transportation Division

(241) In the matter of the Commission's discussion of Suhr Transport - T-06.17.COM. Complaint re: PSC 304 (owned by Montana Sky's Trucking). Commissioner Schneider moved to proceed to hearing in the matter of the complaint from Suhr Transport in T-06.17 COM. Commissioner Molnar seconded the motion, which passed 5-0.

There being no further business to come before the Commission the meeting was adjourned.

GREG JERGESON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)